LNF & IHCIF Calculations Illustration
- Chickasaw in Oklahoma area -

Given Data

- 29,787 = 1998 user count
- $2,980 = National average cost per person (not including wrap-around costs)
- 15% = % Expenditures on purchased services, 85% = % expenditures in-house
- 94.4% = Cost index for purchasing health care in this geographic area
- 87.0% = Size cost index for in-house costs due to small or large size
- 96.9% = Oklahoma area cost index for health status above or below average

Cost Adjustment Calculations

- $408 per person for purchased services = 15% * 94.4% * $2,980
- $2,216 per person for in-house services = 85% * 87.0% * $2,980
- $2,624 per person total = $408 (purchase) + $2,216 (in-house)
- **$2,544 per person total** adjusted for health status = $2,624 * 96.9%
- **$1,799 per person net cost** = $2,544 - $745 Other resources (M&M&PI)

Existing Expenditures (for 29,787 users excluding wrap-around and collections)

- $1,003 per person = local IHS allowance (excludes $ for wrap-around)
- $77 per person = expenditures elsewhere in Oklahoma area on behalf of area users
- $54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **$1,134 per person for OU users** = $1,003 + $77 + $54

LNF Calculation

- **44.6% Gross LNF** = $1,134 (expenditures) / $2,544 total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **63.0% Net LNF** = $1,134 / $1,799 net cost ($2,544 - $745 other)

IHCIF Allocation

- $0 = $ to raise LNF% from 63.0% to 60%
- $258,040,100 = aggregate $ to raise all locations to 60%
- 3.488% IHCIF fraction = $9,000,000 fund / $258,040,100 needed
- **$0 Allocation** = $0 needed for 60% * 3.488% IHCIF fraction

Chickasaw Unmet Needs

- **$53,574,527 Net Total Need** = 29,787 users * $1,799 net cost
- **$19,797,385 Net Unmet Need** = (100% - 63.0% LNF) * 29,787 users * $1,799 net cost